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**FISCAL IMPACT STATEMENT**

**LS 7176**

**BILL NUMBER:** SB 573

**NOTE PREPARED:** Feb 18, 2013

**BILL AMENDED:**

**SUBJECT:** Massage Therapists.

**FIRST AUTHOR:** Sen. Landske

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** *Licensing of Massage Therapists*- The bill provides that an individual must be licensed by the State Board of Massage Therapy (BOMT) to engage in the practice of massage therapy. (Under current law, massage therapists are certified by the board but certification is not required for the practice of massage therapy.)

*Class B Misdemeanor*- The bill makes it a Class B misdemeanor to practice massage therapy without a license.

*Exceptions to Licensing*- The bill provides that the massage therapy licensing requirements do not apply to a health care provider who is acting within the scope of the health care provider's license, registration, or certificate.

*Preemption of Local Rule*- The bill provides that the massage therapist licensing law preempts local ordinances, resolutions, rules, and policies concerning massage therapists except for zoning requirements and occupational license fees. The bill makes conforming changes.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** *Licensing of Massage Therapists*- Switching from certification to licensing would have a negligible administrative and expenditure impact on the Professional Licensing Agency (PLA). The bill would grandfather massage therapists with valid certifications on June 30, 2013. There would be no need for those individuals to reapply for licensing, which would save the PLA administrative time from reprocessing applications of existing certifications. Additionally, there would be expenditure savings if the PLA

did not have to produce new licensing pocket cards to replace existing certification cards. [As of September 19, 2012, there were 4,469 massage therapists with an active certification.]

**Board of Massage Therapy-** The BOMT would have the option of establishing inactive licenses from written notification from a licensee that they are not practicing in Indiana. The BOMT would need to adopt rules to carry out this provision. The BOMT would likely be able to establish any rules under the bill within the course of a regular board meeting.

**Explanation of State Revenues:** *Class B Misdemeanor-* Persons that practice massage therapy without a license would commit a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

*Reactivation Fees-* If the BOMT were to adopt rules for inactive licenses under the bill, the BOMT could allow the reissue of an inactive license, if the applicant pays a reactivation fee. The fee would be set by the Board. Any increase in state revenue would depend on BOMT action.

*Endorsement Licensing-* The BOMT would be given the authority to grant a license by endorsement to a massage therapist that is licensed or certified in good standing in another state. The requirements for licensing would have to be substantially equivalent. Fee revenue may increase if more persons are able to receive an Indiana license via endorsement.

**Explanation of Local Expenditures:** *Class B Misdemeanor-* A Class B misdemeanor is punishable by up to 180 days in jail.

**Explanation of Local Revenues:** *Class B Misdemeanor-* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

*Preemption of Local Rule-* The preemption would not affect any local ordinance, resolution, rule, or policy that has the force of law relating to occupational licensing fees adopted by a county or municipality with respect to massage therapists. Therefore, those counties and municipalities that currently have occupational licensing fees with respect to massage therapists would be able to continue to collect those fees in the future.

**State Agencies Affected:** State Board of Massage Therapy, Professional Licensing Agency.

**Local Agencies Affected:** Counties, municipalities, trial courts, local law enforcement agencies.

**Information Sources:** Professional Licensing Agency.

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